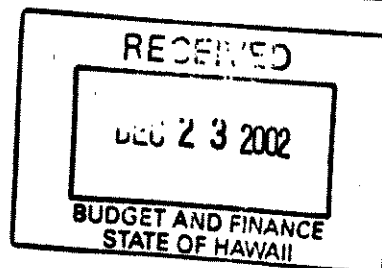


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Solomon W. H. Wong 1022 Prospect St. Apt. 1206, Honolulu, HI 96822 Tel: (808) 531-7845

December 18, 2002

The Honorable Linda Lingle, Governor
State of Hawaii
State Capitol



Dear Governor Lingle:

A belated congratulations from my wife and I as well as a few residents of the Royal Vista Condominium who thoroughly discussed your candidacy and supported you at the polls.

I am prompted to write and suggest two proposals for your consideration. The first one has a lot going for it as I am living proof. The second, pure speculation to ease the state's financial health.

The first suggestion concerns the cost of retirees' medical and prescription drug plans. On attaining age 65, retirees are encouraged by the State Health Fund Office to enroll in Medicare, which would then result in lower premiums paid by the Health Fund. Prior to eligibility for Medicare, the Health Fund pays medical insurance carriers for "Primary" insurance but when retirees enroll in Medicare, Medicare then becomes the primary insurer and a retiree's plan switches to become a "Secondary" insurance carrier. Naturally there is a significant drop in premiums resulting in savings to the Health Fund. When this happens, the Health Fund reimburses the deductions taken from each retiree's monthly social security payment. These reimbursements are made quarterly and serve as motivation for enrolling in Medicare.

In 2001, the Department of Defense introduced Tricare for Life, a new medical and prescription plan for military retirees enrolled in Medicare. Tricare provides medigap insurance for medical and pharmacy expenses and is superior in all aspects to the medigap and prescription drug plans offered by the Health Fund. Tricare is offered at no cost to military retirees enjoying Medicare benefits; an its medical benefits pay whatever Medicare doesn't including each year's deductible and also pays for 75% of long term care costs after Medicare benefits expire. The prescription plan has co-payments of \$3.00 for generic drugs and \$9.00 for name brand drugs locally and a mail order provision costing \$9.00 for a 90 day supply of medication.

I believe that nearly all state and county retirees eligible for Tricare today are using Tricare's prescription drug plan based on the economic advantage when compared to HMSA or union prescription drug plans. Very early this year, I cancelled my enrollment in HMSA's drug plan and while at the Health Fund's office learned that I had to keep HMSA medigap plan in order to receive the reimbursement for Medicare. I also learned that the Hawaii Revised Statutes provide authorization for reimbursements but the Health Fund Board promulgates the rules for reimbursements including the rule that retirees must be enrolled in a medigap plan offered by the Fund in order to receive the reimbursement. This rule caused me to not cancel my HMSA medical plan enrollment and opt for the continuance of my reimbursement at \$324.00 a quarter for myself and spouse. The administrator suggested that the Health Fund Board might consider an application to change their rule regarding required enrollment as a qualification to reimbursement.

I suggest that your office undertake the following:

1. Sponsor an application to the Health Fund Board to revise their current rules to eliminate the requirement that a Medicare retiree beneficiary *must* be enrolled in a Health Fund medigap plan in order to qualify for reimbursement of the monthly social security premiums deducted by Medicare.
2. On approval by the Health Fund Board on the needed rule change, undertake a state-wide marketing program to seek out present Medicare and Tricare beneficiaries and solicit their disenrollment from the Fund's medigap and prescription drug plans. Consideration should be given to paying a 10% bonus as an enticement for cancelling Health Fund medical and drug plans.
3. Alter present Health Fund procedures to provide counseling to Tricare and Medicare beneficiaries registering for the fund's reimbursement to forego the fund's medigap and prescription drug plans in favor of Tricare benefits. .

Projected monetary savings before any bonus payment:

<u>HMSA Family Medigap Premiums</u>	<u>HMSA Family Drug Plan Premiums</u>	<u>TOTAL</u>
Monthly: \$299.26	\$255.20	\$554.46
Annually: 3591.12	3062.40	6653.52

Projected Annual Savings

Number Families

500	\$1,795,560	\$1,531,200	\$3,326,760
750	2,693,340	2,296,800	4,990,140
1000	3,591,120	3,062,400	6,653,520

<u>HMSA Single Medigap Premiums</u>	<u>HMSA Single Drug Plan Premiums</u>	<u>TOTAL</u>
Monthly \$91.14	\$77.70	\$168.84
Annually 1093.68	932.40	2026.08

Projected Annual Savings

Number of Singles

500	\$546,840	\$466,200	\$1,013,040
750	820,260	699,300	1,519,560

These projections are based on current 2002 rates. We can be assured that future premiums will rise and an ever larger number of our retirees who are Tricare eligible will also increase based on larger numbers participating in the Hawaii Air and Army National Guard units; and Army, Navy, Air Force, Marine and Coast Guard reserve units..

The speculative suggestion concerns endorsing and assisting my candidacy for the vacant 2nd Congressional District seat. I am one of 44 who have entered the race, an unknown, but the only one with an announced strategy to increase federal funds received by the state. .

As inferred by the enclosed copy of my political advertisement which appeared Oahu-wide, I seek a monetary consideration from the Department of Defense Overseas Dependent Schools Program for the costs of the educational services provided by the DOE to military dependents attending our public schools. In the past four years, I have called, faxed, and e-mailed letters to members of the state legislature and most recently, your opponents for the office you now hold. My letters have been either ignored or I received responses saying "it can't be done." Approximately 8% of our total enrollment in the DOE are military dependents, a ratio that is perhaps the largest of all 50 states. To my knowledge, no attempt has ever been made to seek additional financial support from the DOD above what is provided for by federal impact funds.

As a past employee of the DOE and parent to children that have attended DOD overseas dependent schools, overseas contract schools, as well as local DOE schools, I am sensitive to the burden out taxpayers are carrying in supporting the large military presence in Hawaii. Additionally, I consider myself well qualified in developing innovative programs and seeking funds or revising budgets. I have had careers as a management analyst, budget analyst, benefits specialist and organization development practitioner. Registering as a non-partisan candidate is a strategy to obtain leverage in becoming a republican in Congress. I believe an attempt to raise the DOD Overseas Dependent Schools Program's budget to reimburse Hawaii for military dependent educational costs may be favorably received with a republican president and a republican majority in both houses in Congress. Accordingly, a republican *must* be elected to the 2nd Congressional District seat. And I would like to be that person in a working partnership with your office to seek every federal dollar available to Hawaii.

Yours truly,



Encl: Political Ad

PAID ADVERTISEMENT

\$72,000,000.00

YES! THIS WAS THE DEPARTMENT OF EDUCATION'S 2001 SCHOOL YEAR COST FOR EDUCATIONAL SERVICES PROVIDED TO MILITARY DEPENDENTS RESIDING IN MILITARY BASE HOUSING.

Solomon "Kolomona" Wong has had a bug on his back about the ~~unfairness~~ of subjecting the Taxpayers of Hawaii having to pay for the schooling of military dependents residing in "on base" military housing. His efforts to date have fallen on deaf ears and he is sickened by the false campaign promises made each election year by career politicians on improving our public schools and has decided to take matters in his own hand and seek the U.S. House seat held by the late Patsy Mink.

With the backing of voters in the Second District, Solomon's major objective will be to negotiate and influence the Department of Defense to pay for the costs of educating dependents accompanying military service members serving in Hawaii as an overseas tour of duty. This could be accomplished by reimbursement to the DOE; or by selling/transferring schools now situated on military bases to the DOD Dependent Schools System. The following facts support this search for equity:

1. The Department of Defense presently operates and maintains overseas dependent schools for children of military members assigned overseas at a level of spending much higher than Hawaii and also contracts with local foreign schools to satisfy economic and parochial needs of dependent children.
2. For over a half century, the Department of Defense has classified and continues to this day credit a "Hawaii" assignment of Alaska and mainland resident military service members with fulfillment of an overseas tour of duty requirement.
3. Military members having dependent children with special education needs are highly motivated to volunteer for a Hawaii overseas assignment knowing that Hawaii provides special education services in accordance with federal law. This results in a larger than normal enrollment of military dependents requiring special education and resultant higher cost to the DOE.
4. The United States Constitution is silent on the subject to public education inferring that education is a state's right and the Hawaii State Constitution and Hawaii Revised Statutes do not differentiate between resident and non resident students eligible for enrollment in Hawaii's public schools.

Every parent with children enrolled in DOE schools as well as every Hawaii taxpayer in the Second District need to register and vote on January 4, 2003 and mark your ballot for: WONG, SOLOMON "KOLOMONA," as a show of support.

Questions and offers of help can be directed to Solomon by email to kolomona02@netscape.net or by mail addressed to P.O. Box 27846, Honolulu, HI 96827.